

EXHIBIT 122

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Page 1

1
2 UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK
4 Case No. 18-cv-01047 (PGG)

5 - - - - -x
6 EIG ENERGY FUND XIV, L.P.,
EIG ENERGY FUND XIV-A, L.P.,
7 EIG ENERGY FUND XIV-B, L.P.,
EIG ENERGY FUND XIV (CAYMAN), L.P.,
8 EIG ENERGY FUND XV, L.P.,
EIG ENERGY FUND XV-A, L.P.
9 EIG ENERGY FUND XV-B, L.P.
EIG ENERGY FUND XV (CAYMAN), L.P.

10 Plaintiffs,

-against-

11 KEPPEL OFFSHORE & MARINE LTD.,
Defendant.

12 - - - - -x

13 Virtual Zoom Deposition

14 July 20, 2021

15 10:00 a.m.

16 CONFIDENTIAL VIRTUAL VIDEO DEPOSITION
17 of KEVIN CORRIGAN, in the above-entitled
18 action, held at the above time and place,
19 taken before Jeremy Richman, a Shorthand
20 Reporter and Notary Public of the State of
21 New York, pursuant to the Federal Rules of
22 Civil Procedure, and stipulations between
23 Counsel.

24
25 * * *

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2 memo, who is advocating to, or who has
3 sufficient interest in a transaction to
4 present it to management and say, Hey,
5 this is something we should look at
6 more deeply.

7 Q. So we -- during this process
8 we have a posting memo, and then we
9 have a recommendation. Those are two
10 separate points in time, correct?

11 A. Correct.

12 Q. Other than creating the
13 posting memo and creating the
14 recommendation document, is the due
15 diligence process documented in any
16 other way?

17 A. We had periodic, I want to
18 say weekly, but it may have been every
19 other week, meetings with our chief
20 investment officer where all the
21 transactions we were working on as a
22 group were discussed, and people would
23 say, you know, We got the model and we
24 like it, or we don't like it, or we've
25 done it. It's a very iterative process

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2 where certainly our chief investment
3 officer would sort of follow the
4 progress of transactions.

5 Q. In terms of documents created
6 related to the due diligence process,
7 is it just the posting memo and the
8 investment recommendation, or are there
9 other documents or work product that
10 are created to show what happened
11 during the due diligence process?

12 A. Well, there was a shared
13 drive at EIG where a lot of the due
14 diligence documents that we were
15 working on were posted, so that people
16 could have access to it, and then of
17 course there were periodic memos in the
18 interim, if you, you know, you ran into
19 something that you wanted some guidance
20 on, you would probably write a memo to
21 the chief investment officer and/or the
22 CEO.

23 Q. And then the investment
24 recommendation document essentially
25 summarizes that entire process and

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2 presents it to the investment
3 committee?

4 A. Yes. By the time we are
5 writing an investment recommendation,
6 the tires have been thoroughly kicked,
7 and we're ready to propose an
8 investment.

9 Q. So the investment
10 recommendation sort of brings together
11 the entire due diligence process for
12 the investment committee?

13 A. Yes.

14 MS. LAW: Objection to form.
15 You can answer.

16 Q. So what was the investment
17 decision-making body for EIG Energy
18 Fund XIV?

19 MS. LAW: Objection to form.

20 MR. BARBUR: I can rephrase,
21 if it will help.

22 MS. LAW: I don't know what
23 you mean by "investment
24 decision-making body."

25 Q. Who, what person or group of

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2 Q. And in fact, EAS got one of
3 the very first contracts to build one
4 of the ships, right?

5 A. Yes, seven of them, I
6 believe.

7 Q. Given the past history of
8 corruption in Brazil and several
9 concerns about corruption in Brazil,
10 did you consider the possibility that
11 any of the entities involved in the
12 Sete project were involved in bribery
13 when you were doing your due diligence?

14 MS. LAW: Objection to form,
15 you can answer.

16 A. My concern with corruption in
17 Brazil was to avoid working with
18 government directly or indirectly. So
19 when we embarked on our due diligence
20 of Sete, we looked at the players, all
21 our counterparties, the investors,
22 Petrobras, the shipbuilders and their
23 owners, and we took a view that it was
24 all on the up-and-up. We never saw any
25 sign that there was anything going on

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2 untoward in the structure of the
3 transaction. And had we known there
4 was, the deal would have died on the
5 spot, but we were never informed, and I
6 was never able to discern that this
7 type of activity was going on.

8 Q. Just so we're clear,
9 Petrobras is a state-owned company, is
10 it not?

11 A. Yes, but it's publicly
12 traded. It trades on the New York
13 Stock Exchange, it files reports with
14 the SEC, I mean, it's a world-class
15 company. I didn't view them as a den
16 of corruption.

17 Q. So beyond running CompliNet
18 searches, what else did you do as part
19 of the due diligence process to look
20 into the possibility of corruption?

21 A. It's what I said earlier. I
22 took a view that the counterparts we
23 were dealing with were companies and
24 entities that we wanted to be
25 associated with. They were the A group

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2 Q. You were the lead member of
3 EIG's team in connection with the Sete
4 investment, correct?

5 A. Yes, I would say so.

6 Q. Did you speak to any members
7 of the Sete deal team to prepare for
8 your testimony, other members of the
9 Sete deal team?

10 MS. LAW: Within EIG?

11 Q. Within EIG.

12 A. Oh, no.

13 Q. When did you first learn
14 about the Sete investment opportunity?

15 A. I think it was September of
16 2010. I was visiting Brazil with Clay
17 Taylor from our Houston office.

18 Q. And how did you learn about
19 the possibility of the Sete investment
20 at that time?

21 A. I had made an appointment at
22 Banco Santander with a guy I used to
23 work with at Norchem, which is the
24 chemical operation that I referred to
25 earlier, when I lived there from '92 to

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2 '94. His name is Luis Cantidio,
3 C-A-N-T-I-D-I-O. And I didn't have any
4 particular agenda except to say hello,
5 we're interested in doing business in
6 Brazil, and what does he got, and does
7 he have any ideas, etcetera. And he
8 says, It turns out I'm looking at this
9 opportunity called Sete Brasil. And
10 across the Chinese wall over there, is,
11 our bank is also the financial advisor
12 to Petrobras, and if you would like,
13 I'll introduce you to the guy who is
14 leading that effort, and his name was
15 Luiz Reis, R-E-I-S, and that's the
16 first time I learned about Sete Brasil.

17 Q. What was the next step in the
18 process that ultimately led to the
19 investment in Sete Brasil?

20 A. Well, I believe it was after
21 that I spoke to a friend of mine at
22 Société Générale, and he said, I have a
23 presentation on Sete, and he sent it to
24 me. And I know that's among the
25 documents you have. And so that was

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2 the first, that's what would have
3 prompted me to write a memo about this
4 opportunity, whether we should look at
5 it, etcetera.

6 And then later we got access
7 to the data room and, you know, then we
8 really jumped in.

9 Q. Why did EIG want to pursue
10 this opportunity to invest in Sete?

11 A. Well, it was the hottest deal
12 in the market in 2010. Everybody
13 wanted to be in it, and I thought, as I
14 said earlier, we were dealing with the
15 A team, the largest corporation in
16 South America, the largest pension
17 funds, as co-investors. Very large
18 construction groups involved in the
19 shipbuilding. Petrobras is the
20 off-taker, Petrobras is the appointor
21 of senior management, BNDES support, I
22 mean, you couldn't get a better list of
23 entities in Brazil to work with on a
24 transaction, even though it had a lot
25 of inherent risk.

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2 be there. And again, it's in
3 numerical order.

4 A. Thirty-nine, right?

5 Q. Yes.

6 (Exhibit 39, previously
7 marked, was shown to the witness,
8 EIG_KEP_00077790.)

9 A. Okay, investment rec.

10 Q. And do you recognize this
11 document we marked as Exhibit 39?

12 A. Yes, I do.

13 Q. And describe what it is?

14 A. It's an investment
15 recommendation to invest 250 million
16 reais in Sete Brasil.

17 Q. And this is the kind of
18 investment recommendation you talked
19 about earlier, correct?

20 A. Correct.

21 Q. And this is the one for the
22 investment by Fund XIV in the Sete
23 project, correct?

24 A. That's right.

25 Q. And this, then, sort of is

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2 the culmination of the due diligence
3 process and a recommendation to make
4 the investment, correct?

5 A. Yes.

6 Q. And this was presented to the
7 investment committee on June 27, 2011?

8 A. It appears that way, yes.

9 Q. And at that meeting, the
10 investment committee approved the
11 investment, correct?

12 A. Correct.

13 Q. How did you decide which
14 details relating to this possible
15 investment to put in this investment
16 recommendation?

17 A. I'm not sure I understand the
18 question.

19 Q. Well, you had learned a lot
20 about the Sete investment up to this
21 point in time, correct?

22 A. Yes.

23 Q. And you had to make some
24 decisions about what to put in here and
25 what not to put in here, correct?

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2 A. Yes.

3 Q. So just describe, generally,
4 the process of deciding what to put in
5 here and what not to put in here.

6 A. Well, it's a fairly long
7 document to begin with, but the idea is
8 to present the transaction as
9 completely as possible with the terms
10 and conditions under which you're going
11 to invest, with the risks and mitigants
12 that you've identified for the
13 investment, and then there's, you know,
14 the projected returns and stress tests
15 on the returns. I would say those are
16 the main themes that you want to
17 present to your investment committee.

18 Q. And is this the most
19 comprehensive document that summarizes
20 the due diligence process relating to
21 this investment?

22 MS. LAW: Objection to form.

23 A. This is the only document
24 that exists that was used to approve
25 the transaction inside EIG.

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2 Q. And if I want --

3 A. I'm not sure what you mean by
4 "most comprehensive."

5 Q. If I wanted to understand
6 everything that happened during the due
7 diligence process, is there any better
8 document to look at than this one?

9 MS. LAW: Objection to form.

10 A. Well, again, there were --
11 this was an iterative process where, as
12 I mentioned earlier, we had periodic
13 discussions with Kurt about the
14 progress of the deal. So there --
15 again, I don't remember specifically,
16 but there would have been issues that
17 came up, and we would have discussed
18 them and dealt with them. Whether all
19 of that appeared in the final
20 investment recommendation, I don't
21 know.

22 Q. The members of the investment
23 committee, did they get information
24 related to this potential investment
25 other than what's in this investment

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2 underway was not of the drill ships for
3 Sete, we established, right?

4 A. No, that's right, they were
5 clearing land and setting up, what are
6 the words in English? I can't
7 remember, anyway.

8 Q. What sorts of questions did
9 you ask during your visit to the EAS
10 shipyard?

11 A. I'm not -- I don't remember
12 conversations I had 11 years ago, or
13 10 years ago.

14 Q. Did you ask anyone at EAS
15 about possible corruption or bribery
16 when you were on this tour?

17 A. No.

18 Q. Did you expect the employees
19 of EAS to address the subject matter of
20 corruption or bribery on this tour?

21 A. Well, had it occurred to me
22 that it was part of the structure of
23 the deal, that would have been nice for
24 somebody so tell us, yes.

25 Q. But did you expect them to

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2 address that subject matter at all
3 during this tour when you took the
4 tour?

5 MS. LAW: Objection, asked
6 and answered.

7 Q. You can answer.

8 MS. LAW: You can answer it
9 again.

10 A. Well, it's what I just said.
11 I would have expected, if this was
12 known to people that we were meeting
13 with, that they would have told us. I
14 did not have an expectation, as I
15 earlier mentioned, that there was a
16 huge corruption scheme involved in this
17 transaction.

18 Q. Why didn't you ask anyone at
19 EAS on this tour questions relating to
20 corruption and bribery?

21 A. Well, I didn't think this was
22 an issue that I had to worry about.

23 Q. Did EAS provide any
24 misleading or inaccurate information to
25 EIG during this yard tour?

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2 THE WITNESS: You'll tell me
3 when it's up --

4 MS. LAW: It's up now,
5 Defendant's Exhibit 84.

6 (Exhibit 84, marked for
7 identification, Bates stamped
8 EIG_KEP_000735367.)

9 Q. And this is an email you sent
10 to Simon Hayden; is that correct?

11 A. Yes.

12 Q. And could you just describe
13 generally what you're telling
14 Mr. Hayden in this email?

15 A. I mean, I forwarded to him
16 the most recent EPC construction
17 management agreement and the charter
18 contract and services agreement, so he
19 would be able to look them over and
20 incorporate them into the investment
21 recs we were probably scrambling to
22 finish at that point.

23 Q. Okay. And let's look at the
24 next exhibit, which would be number 85.
25 Hopefully that's up by now. Or it will

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2 be shortly.

3 MS. LAW: It should be there.

4 (Exhibit 85, marked for
5 identification, Bates stamped
6 EIG_KEP_00073537.)

7 A. Okay, I see it. 85, I'll
8 open it up. EPC?

9 Q. Right. And this appears to
10 be the attachment to the prior exhibit?

11 A. Right.

12 Q. Is that the way it looks to
13 you?

14 A. It does, yes.

15 MS. LAW: It's one of the
16 attachments, right, not all of
17 them?

18 MR. BARBUR: Yes, that's
19 correct.

20 Q. And this is the EPC contract
21 that was reviewed by the due diligence
22 team and summarized in the investment
23 recommendation, correct?

24 MS. LAW: Objection to form.

25 A. It should be, yes. This

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2 looks like a final. We looked at
3 drafts earlier on, I remember.

4 Q. Okay. But you got this
5 before the date of the investment
6 committee meeting, right?

7 A. Right.

8 Q. If you turn to page 41 of
9 this document.

10 MS. LAW: You're referring to
11 the page numbers at the bottom of
12 the document.

13 MR. BARBUR: Correct.

14 A. 38, 39, here we go, 41, okay,
15 I'm here.

16 Q. And you see that there are
17 representations and warranties by the
18 contractor --

19 A. Mm-hmm, yes.

20 Q. -- in 6.2?

21 A. Yes.

22 Q. Did EIG consider these
23 representations and warranties here to
24 be material to its investment decision?

25 MS. LAW: Objection to form.

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2 You can answer.

3 A. Yes, this is an important
4 part of the contract.

5 Q. And one of the
6 representations and warranties is the
7 contractor is not in violation of any
8 applicable law. Do you see that?

9 A. Yes.

10 Q. And other than simply reading
11 this on this page, did you do anything
12 to verify whether that representation
13 and warranty was correct?

14 A. No, we took it at face value.

15 Q. And we talked earlier about
16 the CompliNet searches you ran as part
17 of the due diligence process. Do you
18 recall that?

19 A. Yes, sir.

20 Q. And you said you ran some
21 CompliNet searches related to Keppel,
22 correct?

23 MS. LAW: Objection,
24 mischaracterizes his prior
25 testimony.

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2 for a legal opinion. You're not a
3 lawyer, I'm not asking you for a legal
4 opinion. But when you wrote, binding
5 commitment and binding agreement, did
6 you mean what you said?

7 MS. LAW: Objection, form.

8 A. I have to go back and look at
9 what we had signed. I'm sure we had
10 signed something with Kaisha, and I
11 probably was using terms that they were
12 using. I don't remember. That's why I
13 used that word. But clearly, we had an
14 expectation of investing, but I don't
15 feel we were committed at this point.

16 Q. And you were not committed
17 because you thought there were certain
18 conditions, is that your testimony?

19 A. Yes.

20 Q. And those conditions related
21 to allocations and other things, and
22 they were met, those conditions?

23 A. Eventually, yes.

24 Q. Let's mark another exhibit,
25 tab 12.

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2 mentioned, but that would have been --
3 we were using EIG as investment
4 manager.

5 Q. This is the agreement that
6 you referred to as a binding agreement
7 in the prior document we looked at,
8 correct?

9 MS. LAW: Objection to form.

10 A. I believe so.

11 Q. And if you look on the second
12 to the last page, it ends in production
13 number 476. Is that your signature?

14 A. Yes.

15 Q. And also there's the
16 signature of Mr. Thomas there?

17 A. Yes.

18 Q. What did you understand you
19 were agreeing to when you signed this?

20 A. Well, I -- it was an
21 indication that we were prepared to
22 invest in Sete Brasil, but we're still
23 referred to as a potential investor, so
24 there doesn't seem to be any commitment
25 on their side.

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2 A. That's correct, yes.

3 Q. And in fact, this document is
4 almost identical to the investment
5 recommendation made for Fund XIV,
6 correct?

7 A. I would think so, although I
8 would have to read them both. But I
9 agree, there would have been
10 significant changes between June and
11 September.

12 Q. Would additional due
13 diligence have been done between June
14 and September?

15 A. Well I think, no, not per se.
16 We were still there monitoring what was
17 going on and the progress of the
18 contracts with Petrobras for the
19 additional drill ships, and all I can
20 say is if we had gotten a whiff of
21 anything untoward during that time, we
22 clearly would have pulled the deal.
23 But I don't remember that we made more
24 trips specifically for this purpose.

25 Q. What we've marked as

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2 A. Correct.

3 Q. What this says about Brasfels
4 is exactly what was said about Brasfels
5 in the investment recommendation for
6 Fund XIV, correct?

7 A. It looks like it, yes.

8 Q. Had any additional due
9 diligence been done relating to
10 Brasfels or Keppel between June and
11 September?

12 A. I don't believe so, no. We
13 were comfortable with them because they
14 were, you know, they were an operating
15 entity, they had a track record in
16 Brazil. The others did not.

17 Q. And then you would have
18 presented this investment
19 recommendation to the investment
20 committee at a meeting in September of
21 2011, correct?

22 A. Yes.

23 Q. And was the presentation
24 essentially the same as the
25 presentation for the Fund XIV

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2 there would have been much change in
3 that. They were preparing for a bigger
4 fundraising, because they were going to
5 grow from seven to 28 ships, and so
6 they did need a lot of capital, and
7 that's what was the genesis of our
8 increased investment. But at this
9 point in time, we still didn't know if
10 we had a deal. That's my main
11 recollection of this time frame.

12 Q. And again, that's because
13 there were certain conditions before
14 the investment would close, correct?

15 A. Well, and it wasn't clear
16 that the other investors wanted us in
17 there. They were going to exercise
18 their preemptive rights.

19 Q. So what you're saying is this
20 was a commitment by EIG to invest, but
21 not a commitment by Sete to accept the
22 investment?

23 MS. LAW: Objection to form,
24 mischaracterizes the testimony.

25 A. Yeah, I don't know if, I

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2 answer.

3 A. No. Remember, our mindset at
4 this point was hoping to invest. We
5 wanted to invest, but we didn't feel we
6 were binded or bound by this. If
7 something had come up, we would have
8 pulled out. But at this point in time
9 we viewed this as a, you know, our
10 intention is to invest, but we don't
11 know if they're going to get the 21
12 additional drill ships or the other
13 shareholders are going to not exercise
14 their preemptive rights, so there were
15 two big conditions there, which, as we
16 discussed earlier, were eventually
17 fulfilled.

18 Q. Right. So the conditions
19 that made your investment less than
20 certain were ultimately overcome or
21 fulfilled, right?

22 A. Yes, but I'm saying, and I'm
23 not a lawyer, that, you know, BNDES
24 pulled out of the deal when things went
25 sour, and they had a commitment, so we

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2 would have pulled out had we known what
3 was really going on, and we were never
4 given that opportunity.

5 Q. Did you ever request the
6 opportunity to pull out?

7 A. No, it never came up, because
8 we weren't aware there was a reason to
9 pull out.

10 Q. When did EIG first become
11 aware that one of the shipbuilding
12 contracts for the Sete project was
13 awarded to Keppel?

14 A. I think it was towards the
15 end of 2011.

16 Q. Let's post what was
17 previously marked as Defendant's
18 Exhibit 40.

19 (Exhibit 40, previously
20 marked, was shown to the witness,
21 EIG_KEP_00286690.)

22 A. Should I get out of this
23 document?

24 Q. You can get out of that
25 document and go to what will hopefully

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2 of the due diligence process?

3 A. Well, because we now know
4 that Keppel, among others, was part of
5 the Lava Jato bribery scheme.

6 Q. Did you have any connections
7 with Keppel during the due diligence
8 process?

9 A. Just the visits that we
10 talked about before.

11 Q. The visits were after the
12 first investment decision was made,
13 right?

14 A. That's correct.

15 Q. So they were not part of the
16 due diligence process to make the
17 investment, were they?

18 MS. LAW: Objection to form.

19 You can answer.

20 A. Right, we had visited EAS,
21 and we had looked at the other
22 shipyards, and as I had said earlier,
23 for us, Keppel was the star because it
24 had a long history of operating in
25 Brazil.

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2 Q. Well, did you have any
3 conversations with anyone at Keppel
4 where you would have thought they
5 should have disclosed the bribes, and
6 they failed to do so?

7 A. Not prior to the investment
8 recommendation, no.

9 Q. At some point you made some
10 visits to the Keppel -- the Brasfels
11 shipyard in Brazil, correct?

12 A. Yes.

13 Q. And the first one of those
14 visits was in August of 2011, as you
15 testified in your Petrobras deposition,
16 right?

17 A. I'm going to refer to the
18 binder, since we had agreed earlier
19 that I could do that.

20 Q. Absolutely, help yourself.

21 A. And that has on tab, towards
22 the end, it has correspondence about
23 that visit, I believe. Okay, I think
24 it's tab 21, talks about your trip in
25 August of 2011.

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2 Q. Correct. And this was a trip
3 in conjunction with an entity called
4 CIC, correct?

5 A. That is correct.

6 Q. What is CIC?

7 A. China Investment Corporation.
8 It's a customer of EIG's.

9 Q. You mean, when you say
10 customer --

11 A. I'm sorry, yeah, I -- an
12 investor in EIG funds.

13 Q. And this tour in August of
14 2011 occurred after EIG had already
15 made its decision, initial decision to
16 invest in Sete, correct?

17 A. Correct.

18 Q. And this tour concerned CIC's
19 potential investment in Sete rather
20 than EIG's, correct?

21 MS. LAW: Objection, you can
22 answer.

23 A. Yeah, we set it up to help
24 CIC in their due diligence, but I
25 wouldn't say that we were -- you know,

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2 we would do nothing in our own case.

3 It was the first time we'd been to

4 Keppel, so we would have been

5 interested to see what was going on in

6 connection with our own investment.

7 Q. Would you have set up this

8 trip, but for CIC?

9 MS. LAW: Objection to form,

10 you can answer.

11 A. I don't know how to answer

12 that. Probably not at this time, but

13 we would have eventually wanted to

14 visit. Keppel had the benefit of being

15 the closest physically to Rio, and it

16 was easier to get to the other ones

17 where you had to get on a plane.

18 Q. And what was the purpose of

19 visiting the yard? Setting aside the

20 role of CIC, for either CIC or EIG,

21 what was the purpose?

22 A. Well, CIC was, you know,

23 beginning to kick the tires, as we had

24 the previous year, and they just wanted

25 to see one of the shipyards to see

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2 what -- to gain impressions on their
3 ability to fulfill contracts.

4 Q. Is it fair to say the focus
5 was the technical ability of the
6 shipyard to construct the drill ships?

7 MS. LAW: Objection to form.
8 You can answer.

9 A. Yeah, I think that would --
10 well, again, I don't know exactly what
11 Yangyang and Dr. Xu wanted to
12 accomplish on that trip, but I think
13 what you've said is a reasonable
14 assumption.

15 Q. There were discussions with
16 representatives of Brasfels on this
17 trip; is that correct?

18 A. Yes, they, I recall they
19 greeted us, they gave a presentation
20 and then we walked around the shipyard,
21 which is quite large.

22 Q. And the presentation focused
23 on their ability to construct the drill
24 ships, correct?

25 A. I don't remember the exact

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2 nature of the presentation, but it
3 would have been an overview of their
4 operations, and I'm sure it was touting
5 their skills, etcetera.

6 Q. When we talk about skills,
7 it's really their shipbuilding capacity
8 was the focus, right?

9 A. Yes, that's correct.

10 Q. What was EIG's relationship
11 with CIC?

12 A. I would prefer that you ask
13 Blair that question, if you don't mind,
14 because I just know they were an
15 important investor in EIG.

16 Q. Setting -- did you understand
17 that EIG had a preexisting relationship
18 with CIC prior to this yard tour?

19 A. Just as an aside, in a fund
20 management company such as EIG, you
21 have the folks that deal with
22 investors, and then folks like me that
23 deal with the deployment of those
24 funds. And the two don't really mix or
25 interact that much.

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2 overview I gave you a minute ago.

3 Q. Do you think that any
4 inaccurate or misleading information
5 was provided by Brasfels during this
6 tour?

7 MS. LAW: Objection, you can
8 answer.

9 A. Again, it's what I said
10 earlier. No, at that time I thought
11 everything they said was truthful and,
12 you know, they didn't bring up the
13 corruption scheme that already existed.

14 Q. Did you or did anyone else on
15 this tour raise questions relating to
16 bribery or corruption?

17 A. No.

18 Q. Do you recall that CIC
19 invited someone from Morgan Stanley to
20 this yard tour?

21 A. My recollection, I think his
22 name was Kevin, poor guy, and he was
23 sort of an intern. I don't think he
24 was wearing a Morgan Stanley hat, so he
25 was seconded or doing an internship of

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2 MS. LAW: Objection to form.

3 A. Several, five or six.

4 Q. Five or six Brasfels people
5 participated in this yard tour?

6 A. No, well, in the
7 presentation, I remember we went into a
8 conference room, and then we met
9 several people. They gave a
10 presentation, and then I think the walk
11 itself was with just one individual.

12 Q. And when you walked around,
13 what were you looking at?

14 A. Where they store the steel,
15 where the dry dock is, these huge
16 cranes. There was a semi-submersible
17 sitting in the water. I mean, it's a
18 big operation.

19 Q. And this yard tour occurred
20 before Brasfels actually had a contract
21 to build one of the rigs for Sete,
22 right?

23 A. Yes, because we established
24 that was at the end of the year, and
25 this is August.

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2 shipyards?

3 A. Yes.

4 Q. Do you recall that there was
5 another visit to the Brasfels shipyard
6 in March of 2012?

7 A. Yes, I'm going to refer again
8 to my binder on that. Yeah, that's the
9 second one, with another investor.

10 Q. And what do you recall about
11 the purpose of this yard tour?

12 A. My recollection is that it
13 was a mirror of the CIC's visit a few
14 months earlier, except now with ADICO,
15 the sovereign wealth fund of Abu Dhabi,
16 as opposed to a Chinese entity.

17 Q. So the purpose of this was to
18 present to ADICO the possibility of
19 investing in Sete?

20 A. That is correct. A-D-I-C-O.
21 It's Abu Dhabi Investment Company, I
22 believe it stands for.

23 Q. Did EIG have a preexisting
24 relationship with ADICO?

25 A. I go back to my response how

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2 I answered you on CIC. It was an
3 investor of ours, and beyond that I
4 don't know. But clearly it was an
5 important investor.

6 Q. Do you know whether ADICO was
7 an investor in either Fund XIV or Fund
8 XV?

9 A. I don't recall.

10 Q. But this tour was focused on
11 a potential separate investment by
12 ADICO in Sete; is that correct?

13 MS. LAW: Objection to form.
14 You can answer.

15 A. That -- yeah, that was an
16 evolution. It didn't start out that
17 way. It eventually became that, and at
18 this point in time I'm not sure whether
19 it's to co-invest with us, to come in
20 with us, or to do their own thing.

21 Q. Did ADICO ultimately invest
22 in Sete separate from EIG?

23 A. We understand that it came in
24 through BTG Bactual.

25 Q. What was the last word you

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2 said?

3 A. B-A-C-T-U-A-L.

4 Q. And what is that?

5 A. That's the investment bank
6 that had the single largest investment
7 in Sete, and a lot of that was, I don't
8 know how much, but they had, you know,
9 co-investors behind them, ADICO being
10 one of them.

11 Q. Who was present for this
12 March 28th Brasfels yard tour from EIG,
13 if anyone?

14 A. My recollection is it was
15 Simon Hayden from our London office,
16 myself, an analyst from London named
17 Hoshrav Patel, and then Jeppe from
18 ADICO. He might have had somebody with
19 him, I can't remember.

20 MR. BARBUR: Let's mark a
21 document, tab 23, David.

22 MS. LAW: It should be in
23 your folder as Exhibit 95.

24 THE WITNESS: Got it.

25 Q. Do you recognize this email,

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2 A. He was an analyst in our
3 London office, yeah, he worked with
4 Simon Hayden.

5 Q. And how many representatives
6 of ADICO were on this --

7 A. As I said earlier, for sure
8 Jeppe, and I can't remember if he had
9 someone with him or not. I think he
10 was by himself, but I wouldn't swear to
11 it.

12 Q. Anyone else on the yard tour
13 beyond the people at Brasfels?

14 A. I don't remember if somebody
15 from Lakeshore came with us. Ivan Hong
16 might have been with us, but again, I
17 don't recall.

18 Q. And Ivan Hong is with a Sete
19 entity called Lakeshore?

20 A. No, Lakeshore is the
21 financial advisor that, let's say,
22 replaced Santander. But, you know,
23 it's the same people. They had been
24 employees of Santander, then they
25 formed their own advisory company and

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2 became Sete's advisors.

3 Q. Was anyone from Sete or
4 Petrobras on the yard tour?

5 A. I don't believe so, no.

6 Q. Do you recall meeting with
7 employees of the shipyard?

8 A. My recollection is that it
9 was very similar to what we had done
10 with CIC, where they made a
11 presentation, and then we had a walk
12 around the shipyard, and I think we had
13 lunch in their staff dining hall.

14 Q. And again, the focus of the
15 yard tour was the shipbuilding capacity
16 of Brasfels?

17 MS. LAW: Objection to form.

18 A. Yes.

19 Q. Do you remember any specific
20 questions that were asked of Brasfels
21 on this tour?

22 A. I don't.

23 Q. You had a general tour of the
24 shipyard and looked at ships being
25 constructed; is that correct?

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2 A. Well, semi-submersibles. I
3 don't recall that there was one being
4 built, but they had one, I think,
5 floating nearby, and they had a dry
6 dock. They were doing maintenance and
7 stuff like that.

8 Q. Did the subject of corruption
9 or bribery come up at any time during
10 this yard tour?

11 A. Not that I recall.

12 Q. Do you recall -- did you or
13 anyone else from EIG ask any questions
14 relating to corruption or bribery?

15 A. No, I don't recall, I believe
16 not.

17 Q. Do you have any reason to
18 believe that Brasfels provided any
19 false or misleading information during
20 this tour?

21 MS. LAW: Objection to form,
22 you can answer.

23 A. Yeah, this is a similar
24 question. The way I answered it is at
25 the time, no, we thought it was all on

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2 the up-and-up, and nobody told us that
3 there was an underlying issue that we
4 should have known about.

5 Q. The focus of the yard tours,
6 we discussed, was the shipbuilding
7 capacity of Brasfels, right?

8 MS. LAW: Objection.

9 A. Semi-submersibles that
10 Petrobras was contracting them for.

11 Q. And was any misleading
12 information provided relating to that?

13 MS. LAW: Objection, asked
14 and answered.

15 Q. You can answer. The question
16 is, was any misleading information
17 provided concerning the shipbuilding
18 capacity of Brasfels?

19 A. No, not concerning
20 shipbuilding capacity. Concerning the
21 overall transaction in retrospect, yes,
22 as we said before.

23 Q. Did EIG rely on anything it
24 learned during this yard tour for any
25 purpose?

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2 watch, what was it, the 2014 Superbowl.

3 He was a big New England Raiders fan.

4 Q. And --

5 A. Patriots, jeez, sorry.

6 Q. No, go ahead.

7 A. Sorry, New England Patriots.

8 Q. During any of your
9 discussions with Mr. Ferraz, did the
10 subject of bribery or corruption ever
11 come up?

12 A. Never.

13 Q. Did you ever ask Mr. Ferraz
14 whether Sete was involved in any
15 bribery?

16 A. I did not.

17 Q. Do you recall who the
18 shareholders were that requested this
19 2013 yard tour?

20 A. I don't, because as I said
21 earlier, I wasn't -- I'm not sure if
22 the genesis was one of the directors or
23 Ferraz. But anyway, the idea was
24 broached, and it was enthusiastically
25 received, I remember that.

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2 Q. And do you remember who the
3 attendees were for this yard tour?

4 A. I can't, I couldn't. But I
5 think pretty much every investor had
6 somebody there, including myself.

7 Q. So approximately how many
8 people would that be?

9 A. I think the board had 13
10 people and, you know, I guess there was
11 probably 20 of us showed up, roughly.

12 Q. And to sort of cut to the
13 chase, did this yard tour proceed,
14 essentially, as the other ones had?

15 A. Yes, very similar.

16 Q. There was a presentation, and
17 then there was a walk-around tour of
18 the yard?

19 A. That's correct, that's my
20 recollection.

21 Q. And do you recall anything
22 specific that was discussed, either
23 during the presentation or the
24 walk-around tour?

25 A. I do not.

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2 A. That is correct.

3 Q. Was the subject of corruption
4 or bribery ever discussed on this yard
5 tour?

6 A. No.

7 Q. Did you or anyone else from
8 EIG or any of the other investors ask
9 any questions of Brasfels relating to
10 corruption or bribery?

11 A. I did not, and I don't recall
12 hearing anybody else bring up that
13 subject.

14 Q. And did EIG rely on anything
15 that it learned on this yard tour for
16 any purpose?

17 MS. LAW: Objection to form.
18 You can answer.

19 A. Well, it provided, you know,
20 this was now several months after our
21 previous visit, and I remember feeling
22 good about the progress at Brasfels,
23 that they were a professional company
24 that was doing a good job.

25 Q. And has your view on that

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2 A. No, that I'm pretty confident
3 did not happen.

4 Q. Do you know who Zwi Skornicki
5 is?

6 A. Well, I didn't until Kerri
7 told me yesterday.

8 Q. So you had never heard the
9 name Zwi Skornicki come up prior to
10 yesterday?

11 A. That's correct.

12 Q. I know this is after you
13 retired from EIG, but at some point
14 Operation Car Wash was widely
15 publicized in Brazil, right?

16 A. That's correct.

17 Q. Were you aware of that when
18 it happened?

19 A. I mean, from press reports,
20 yeah, I think I found out about it the
21 way most people did. I wasn't aware of
22 any buildup, if there was one.

23 Q. And what did you understand
24 was revealed, generally, through
25 Operation Car Wash?

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2 transaction if you wanted to?

3 MS. LAW: Objection to form,
4 asks for a legal conclusion. You
5 can answer.

6 A. I view that as a theoretical
7 question. At this point we're at the
8 opposite mindset, hoping for an
9 allocation and wanting to get in. If
10 somebody had called us and said, Hey,
11 did you know Ferraz is getting a
12 1 percent kickback from the shipyard,
13 we would have pulled out. So we're
14 dealing in sort of hypothetical
15 situations here.

16 Q. Did you have concerns about
17 Sete's management?

18 A. No.

19 MR. BARBUR: Let's look at
20 another document, tab 28. We'll
21 mark that.

22 (Exhibit 98, marked for
23 identification, Bates stamped
24 EIG_KEP_00039525.)

25 MS. LAW: Should be up now as

ERRATA SHEET
EIG v. Keppel
Kevin Corrigan Transcript (#4693396)

<u>Page</u>	<u>Line</u>	<u>Change</u>	<u>Reason</u>
27	3	“\$100,000” should be “\$150,000”	Clarification
27	3	“\$250,000” should be “\$400,000”	Clarification
38	24	“investment?” should be “investment.”	Transcription error
51	5, 8	“CompliNet” should be “Complinet”	Transcription error
52	16	“CompliNet” should be “Complinet”	Transcription error
54	17	“CompliNet” should be “Complinet”	Transcription error
56	9	“CompliNet” should be “Complinet”	Transcription error
79	8	“Kevin Lauder” should be “Kevin Lowder”	Transcription error
80	6	“Lauder” should be “Lowder”	Transcription error
91	16, 21	“CompliNet” should be “Complinet”	Transcription error
92	5	“CompliNet” should be “Complinet”	Transcription error
98	10	“Kaisha” should be “Caixa”	Transcription error
102	5	“Curt” should be “Kurt”	Transcription error
103	2	“Lauder” should be “Lowder”	Transcription error
106	15	“hiccough” should be “hiccup”	Transcription error
108	9	“would have been” should be “would not have been”	Clarification
139	2	“I did” should be “I did not”	Clarification
161	24	“BTG Bactual” should be “BTG Pactual”	Transcription error
162	3	“B-A-C-T-U-A-L.” should be “P-A-C-T-U-A-L.”	Transcription error
170	17	“suplante” should be “suplente”	Transcription error
171	25	“Lauder” should be “Lowder”	Transcription error

<u>Page</u>	<u>Line</u>	<u>Change</u>	<u>Reason</u>
178	13, 16	“workers’ party” should be “Workers’ Party”	Transcription error

Kevin Corrigan
Kevin Corrigan

8/16/21
Date